

RESOLUTION NO. 08-35

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK DELEGATING TO THE EXECUTIVE DIRECTOR OF THE BANK CERTAIN AUTHORITY TO ACT ON BEHALF OF THE BANK IN RELATION TO THE ISSUANCE OF CONDUIT REVENUE BONDS AND CERTAIN POST-ISSUANCE ACTIVITIES PERTAINING TO CONDUIT REVENUE BONDS

WHEREAS, the California Infrastructure and Economic Development Bank (the "I-Bank") is established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 et seq.) (the "Act"), for the purpose of promoting economic development in the State of California (the "State");

WHEREAS, the I-Bank is authorized under the Act to, among other things, issue revenue bonds to provide financing and refinancing for economic development facilities and public development facilities located in the State, as requested by sponsors and participating parties (the "Project Sponsors") pursuant to the authority and requirements of the Act ("Conduit Revenue Bonds");

WHEREAS, the I-Bank has previously issued various series of Conduit Revenue Bonds pursuant to documents which may include, for each series, without limitation, an indenture or trust agreement, a loan agreement, a bond purchase agreement or purchase contract, a lease agreement and a tax certificate or agreement between the I-Bank and other parties to the transaction as well as disclosure documents pertaining to the offering of the bonds (collectively, "Bond Documents");

WHEREAS, from time to time Project Sponsors or another party to a Conduit Revenue Bond transaction may desire to (1) obtain an alternate credit facility (such as a letter of credit or bond insurance) or alternate liquidity facility (such as a letter of credit) for the bonds which, pursuant to the applicable Bond Documents must be approved or consented to by the I-Bank (each, a "Facility Substitution"); (2) amend certain provisions of Bond Documents (each, a "Bond Document Amendment"); or (3) remove or replace an agent then acting under the Bond Documents (such as the trustee, registration agent or remarketing agent) in a way in which such removal or replacement must be made or consented to by the I-Bank (each, an "Agent Substitution");

WHEREAS, Sections 63022 and 63023 of the Act provide that the I-Bank is governed by the Board of Directors of the I-Bank (the "Board"), and that the management of and the conduct of the business and affairs of the I-Bank are to be undertaken by the Executive Director;

WHEREAS, Section 63023 of the Act authorizes the Board to delegate to the Executive Director the authority to take certain acts on behalf of the I-Bank;

WHEREAS, the Board has previously adopted Resolution 06-37 for the purpose of delegating certain authority to the Executive Director and has determined that certain of the

delegations of Resolution 06-37 as they relate to Conduit Revenue Bonds should be augmented and restated by this Board;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank, as follows:

Section 1. The Board hereby finds that the above recitals are true and correct.

Section 2. The Board hereby authorizes the Executive Director to execute and deliver, for and on behalf of the I-Bank, all resolutions adopted by the Board approving the issuance of or otherwise pertaining to Conduit Revenue Bonds.

Section 3. The Board hereby delegates to the Executive Director the authority to execute and deliver for and on behalf of the I-Bank (A) all Bond Documents approved by the Board; (B) agreements, contracts, certificates, orders and instruments that are ancillary and related to Board-approved Bond Documents, necessary or convenient to accomplish the sale, issuance and delivery of Conduit Revenue Bonds approved by the Board, and consistent with the terms of the Revenue Bond transaction approved by the Board including, without limitation, redemption certificates, swap and hedge agreement confirmations, tax regulatory certificates and certificates of representation; (C) certificates and confirmations necessary or convenient to further an anticipated issuance of Conduit Revenue Bonds that do not purport to commit the I-Bank to issue Conduit Revenue Bonds that are not subsequently approved by the Board, including, without limitation, swap and hedge agreement confirmations and certificates or documents evidencing the official intent of the I-Bank to authorize the reimbursement of costs incurred by a conduit qualified small issue borrower or exempt facility bond borrower from the proceeds of tax-exempt bonds pursuant to Internal Revenue Code section 1.150-2; and (D) certain post-issuance certificates, orders and instruments necessary or convenient to accomplishing the redemption of Conduit Revenue Bonds or the prepayment of a Project Sponsor's obligation to the I-Bank.

Section 4. The Board hereby delegates to the Executive Director the authority to execute and deliver, for and on behalf of the I-Bank, any written consent, direction, appointment, certificate, order or other instrument required by the Bond Documents or otherwise necessary or convenient to effectuate any Facility Substitution; provided that (A) the Facility Substitution is made pursuant to and in accordance with the terms of any Bond Document that establishes the terms of the Facility Substitution, (B) bondholder consent is not required by such Bond Document for the Facility Substitution, (C) the Facility Substitution supports a long-term rating on the Conduit Revenue Bonds of at least "A3" from Moody's Investors Service (Moody's), or "A-" from Standard & Poor's (S&P) or Fitch Ratings, Inc. (Fitch), or a short-term rating of at least a "VMIG 1" or "P-1" from Moody's, "SP-1" or "A-1" from S&P, or "F1" from Fitch, and (D) the I-Bank receives an opinion of bond counsel to the effect that the Facility Substitution is made pursuant to and in accordance with the terms of any Bond Document that establishes the terms of the Facility Substitution and does not, in and of itself, cause the interest on the bonds to be includable in gross income for federal income tax purposes or materially, adversely affect the holders of the bonds, provided that no opinion as to the effect of such Facility Substitution on bondholders will be required in the event that the Facility Substitution is effective in conjunction with the remarketing of the bonds.

Section 5. The Board hereby delegates to the Executive Director the authority to execute and deliver, for and on behalf of the I-Bank any Bond Document Amendment; provided that (A) the Bond Document Amendment (1) does not result in a material change to the terms of the transaction approved by any resolution of the Board, (2) can be effectuated pursuant to the terms of the applicable Bond Documents without the consent of bondholders and (3) does not provide for any additional material duties of or costs to the I-Bank; and (B) the I-Bank is provided with an opinion of bond counsel to the effect that the Bond Document Amendment will not, in and of itself, cause the interest on the bonds to be includable in gross income for federal income tax purposes or materially, adversely affect the holders of the bonds

Section 6. The Board hereby delegates to the Executive Director the authority to execute and deliver, for and on behalf of the I-Bank, any written consent, direction, appointment, certificate, order or other instrument required by the Bond Documents or necessary or convenient to effectuate any Agent Substitution; provided that (A) the Agent Substitution is made pursuant to and in accordance with the terms of any Bond Document that establishes the terms of the Agent Substitution, (B) bondholder consent is not required by such Bond Document for the Agent Substitution, (C) the Agent Substitution does not result in any additional cost to the I-Bank, (D) with respect to the replacement of a remarketing agent, broker-dealer, or marketing agent, the substituted agent is listed on the State Treasurer's list of underwriters approved for negotiated offerings pursuant to California Government Code Section 5703, and (E) with respect to replacement of any other agent, that agent is currently serving in the same capacity in relation to I-Bank or State of California bonds.

Section 7. The Board authorizes the Secretary of the Board to attest to the signature of the Executive Director on any resolution, document, consent, certificate, direction, appointment, order or other instrument executed by the Executive Director pursuant to the terms of this Resolution.

Section 8. This Resolution supersedes Sections 2.a., 2.b., 2.c. and 2.g. of Resolution 06-37 as those Sections pertain to Conduit Revenue Bonds. For all other purposes, Resolution 06-37 shall remain in full force and effect. This Resolution shall take effect from and after its adoption.

Section 9. The Executive Director shall provide a report of actions taken pursuant to the authority delegated in Sections 3(C), 3(D), 4, 5 and 6 no later than the second regular meeting of the Board following the date the action was taken.


PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on November 20, 2008, by the following vote:

AYES: Berte, Sheehy, Lujano, Lopez, Rice

NOES: None

ABSENT: None

ABSTAIN: None

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant, Secretary